



## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

The Community Care for the Elderly (CCE) program was created by the Legislature in 1973. The CCE program provides community-based services organized along a continuum of care to assist functionally-impaired older people live in the least restrictive environment suitable to their needs.

To be eligible for CCE, a person must be 60 years of age and functionally impaired as measured by a standardized assessment instrument. Priority is given to people who are at risk of entering a nursing home or persons who have been abused, neglected or exploited and referred by the Adult Protective Services Team.

Individuals at risk for abuse, neglect or exploitation - Under s. 430.205(5), F.S., those elderly persons who are determined by the Adult Protective Services division of the Department of Children and Families (APS) to be victims of abuse, neglect, or exploitation who are in need of immediate services to prevent further harm are given primary consideration for receiving CCE services. As used in this subsection, "primary consideration" means that an assessment and services must commence within 72 hours after referral to the Department (or as established in Department contracts containing local protocols developed between Department service recipients and APS).

Individuals residing in a long-term care facility that is placed in receivership - Under s. 400.126(12), F.S., those elderly persons residing in a long-term care facility that is placed in receivership who are subsequently determined through a CARES assessment to be a resident who could be cared for in a less restrictive setting or as someone who does not meet the criteria for skilled or intermediate care in a nursing home will be referred for in-home or community-based care, as appropriate for the resident. Residents referred pursuant to this subsection are given primary consideration for receiving services under the CCE program in the same manner as persons classified to receive such services under s. 430.205(5), F.S.

Functionally impaired individuals in nursing homes who could return to the community or individuals at high risk for nursing home placement - Under ss. 430.202, 430.204(2), and 430.204(6)(a) and (b), F.S., the Department has established the following priority criteria for service delivery:

- Individuals in nursing homes under Medicaid who could be transferred to the community;
- Individuals in nursing homes whose Medicare coverage is exhausted and who may be diverted to the community;
- Individuals in nursing homes that are closing and who can be discharged to the community;
- Individuals whose mental or physical health condition has deteriorated to the degree that self care is not possible and they have no capable caregiver, meaning institutional placement will occur within 72 hours; or,

- Individuals who have been assessed and are pending enrollment in the Long Term Care Community Diversion Project (s. 430.705, F.S.).

Functionally impaired individuals not in the above groups - Under ss. 430.202, 430.204(2), and 430.204(6)(a) and (b), F.S., service delivery for other assessed individuals not prioritized into the groups above, regardless of referral source, will receive services to the extent that remaining funding is available. Order of priority for services is set according to a prioritization policy that ensures that service delivery maximizes cost-avoidance, cost-effectiveness, and program efficiency by targeting services to those individuals who are most frail and at the highest risk for nursing home placement, and that, in keeping with subsections 430.204(6)(a) and (b), F.S., may not be eligible to receive services under the Aged and Disabled Medicaid Waiver program. The Department's current policy, established through the CCE contracts with the area agencies on aging (AAAs), requires that individuals not prioritized into groups above be prioritized according to a scale that rates individuals according to one of the following priority scores based on their frailty and likelihood of entering a nursing home (listed in highest frailty level to lowest frailty level).

Priority Level 5  
Priority Level 4  
Priority Level 3  
Priority Level 2  
Priority Level 1

House Bill 1711 amends s. 430.205(5), F.S., to specify that a factor that must be considered in prioritizing services under the Community Care for the Elderly program is the potential recipient's ability to pay. Those who are less able to pay must receive a higher priority than those who are better able to pay.

According to DOEA, last fiscal year, CCE consumers contributed over \$1.5 million through co-payments. Co-payments collected in the CCE program are reinvested in the program and are used solely to increase program funds for services within the area served by the local Lead Agency. At the average CCE cost per person per year, co-payments supported services for 625 individuals at no cost to the state. Prioritizing all CCE placements by lowest ability to pay may result in all CCE co-payment funding being eliminated, with the result that 625 fewer consumers would be served statewide.

#### C. SECTION DIRECTORY:

Section 1 amends subsection (5) of section 430.205, F.S. related to the community care system.

Section 2 provides that the bill takes effect July 1, 2003.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

DOEA reported that it has computed through its statistical modeling that, due to varying needs and frailty levels of CCE consumers, CCE needs to serve approximately 45 consumers to achieve 10 nursing home diversions. If all 625 consumers who receive CCE services through co-payment funding were no longer eligible to receive services because their funding source was eliminated, using the statistical model described above, DOEA believes that approximately 139 of the displaced individuals would require nursing home placement. Multiplying the 139 consumers times the average cost to Medicaid for nursing home placement (\$40,646) yields a \$5.6 million potential cost to the state.

The bill may also potentially carry a workload and expense for DOEA and/or DCF based on the extent to which the Department(s) will be required to go to determine a potential CCE client's "ability to pay".

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

**B. RULE-MAKING AUTHORITY:**

No rule making authority is granted or revised.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**